

Exhibit A

Notice of Annual Rate Adjustment and Certification under Guidelines

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-BK-3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE EMPLOYEES RETIREMENT SYSTEM OF
THE GOVERNMENT OF PUERTO RICO,

Debtor.

PROMESA

Title III

Case No. 17-BK-3566-LTS

**This Application relates only to
ERS and shall be filed in the lead
Case No. 17-BK-3283-LTS and
ERS's Title III Case (Case No.
17-BK-3566-LTS)**

**CERTIFICATION UNDER GUIDELINES FOR FEES
AND DISBURSEMENTS FOR PROFESSIONALS IN RESPECT
OF THE TENTH INTERIM FEE APPLICATION OF PROSKAUER ROSE LLP
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT
OF EXPENSES INCURRED AS ATTORNEYS FOR THE FINANCIAL OVERSIGHT
AND MANAGEMENT BOARD FOR PUERTO RICO, AS REPRESENTATIVE OF THE
DEBTOR, THE EMPLOYEES RETIREMENT SYSTEM OF THE GOVERNMENT OF
PUERTO RICO, FOR THE PERIOD JUNE 1, 2020 THROUGH SEPTEMBER 30, 2020
AND NOTICE OF ANNUAL RATE ADJUSTMENT PROVIDED IN ORIGINAL
ENGAGEMENT LETTER**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case

Pursuant to (a) the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* issued by the Executive Office for the United States Trustee, 28 CFR Part 58, Appendix B (the “Guidelines”), together with the Local Rule 2016–1, and (b) the order dated June 26, 2019 [ECF No. 7678], the undersigned, a Partner of the firm Proskauer Rose LLP (“Proskauer”), attorneys for the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) as representative of the Employees Retirement System of the Government of Puerto Rico (the “Debtor”), pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² hereby certifies with respect to (a) Proskauer’s tenth interim application for allowance of compensation for services rendered and reimbursement of expenses incurred with respect to the Debtor’s Title III case, dated March 19, 2021 (the “Application”),³ for the period from June 1, 2020 through and including September 30, 2020 (the “Compensation Period”) and (b) the Court’s order dated June 26, 2019 [ECF No. 7678] requiring rate notices as follows:

1. I am the professional designated by Proskauer in respect of compliance with the Guidelines and Local Rule 2016–1.

2. I make this certification in support of the Application for interim compensation and reimbursement of expenses incurred during the Compensation Period in accordance with the Guidelines and Local Rule 2016–1.

3. In respect of the Guidelines and Local Rule 2016–1, I certify that:

a. I have read the Application;

No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

³ Capitalized terms used but not defined herein have the meanings given to them in the Application.

- b. to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines;
- c. except to the extent (i) that fees or disbursements are prohibited by the Guidelines or (ii) Proskauer agreed to provide discounts to its usual rates in connection with its representation of the Oversight Board, the fees and disbursements sought are billed at rates in accordance with practices customarily employed by Proskauer and generally accepted by Proskauer's clients; and
- d. in providing a reimbursable service, Proskauer does not make a profit on that service, where the service is performed by Proskauer in house or through a third party.⁴

4. With respect to paragraph 2.c.2 of the Court's order dated June 26, 2019 [ECF No. 7678], I certify that:

- a. A copy of Proskauer's Engagement Letter with the Oversight Board is attached to the Application as **Exhibit F**.
- b. Proskauer's rates under the Engagement Letter increase each year "on January 1 by the lower of the percentage rate we announce, and four percent." (Engagement Letter at 1–2). Therefore, effective January 1, 2020, the rate increase was 4%, yielding a new flat rate for attorneys (partners, senior counsel, and associates) of \$820 per hour, for e-discovery attorneys of \$405 per hour, and for paraprofessionals of \$280 per hour. Proskauer gave another notice of this rate increase by filing a sworn certification, attached to

Proskauer's Eighth Interim Application as Exhibit A [Case No. 17-3283, ECF No. 12831]. The Oversight Board has requested, however, and Proskauer has agreed not to request the current allowance and payment of the 2020 incremental fees. Proskauer intends to request payment of the 2020 incremental fees at a later date.

- c. Pursuant to the Engagement Letter, Proskauer's rates increased 4% effective January 1, 2021, yielding a new flat rate for attorneys (partners, senior counsel, and associates) of \$853 per hour, for e-discovery attorneys of \$421 per hour, and for paraprofessionals of \$291 per hour. Proskauer again provides notice of the automatic rate adjustment, pursuant to paragraph 2.c.2 of the Court's order dated June 26, 2019 [Case No. 17-3283, ECF No. 7678]. Pursuant to the Engagement Letter, the rate increase equals the lesser of Proskauer's actual percentage rate increase and 4%, pursuant to paragraph 2.c.2 of the Court's order dated June 26, 2019 [Case No. 17-3283, ECF No. 7678]. Although this Application does not cover fees accrued in 2021, pursuant to the Engagement Letter, Proskauer's rates increased 4% effective January 1, 2021, yielding a new flat rate for attorneys (partners, senior counsel, and associates) of \$853 per hour, for e-discovery attorneys of \$421 per hour, and for paraprofessionals of \$291 per hour.
- d. The foregoing rate increases are consistent with the terms of the Engagement Letter.

⁴ Proskauer also employs e-discovery attorneys who are billed at \$390 per hour. Like other attorneys, and consistent with past Compensation Periods, e-discovery attorneys are billed at a flat hourly rate and these fees are not treated as reimbursable third party expenses.

e. The Engagement Letter was negotiated at arm's length and in good faith between the Oversight Board and Proskauer.

5. I certify that Proskauer has previously provided monthly statements of Proskauer's fees and disbursements by filing and serving monthly statements in accordance with the Interim Compensation Order (as defined in the Application), except that completing reasonable and necessary internal accounting and review procedures may have, at times, precluded filing fee statements within the time periods specified in the Interim Compensation Order.

Dated: March 19, 2021
San Juan, Puerto Rico

Respectfully submitted,

/s/ Ehud Barak

Martin J. Bienenstock (*pro hac vice*)

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Ehud Barak (*pro hac vice*)

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